

ASSEMBLY BILL

No. 357

Introduced by Assembly Member Mendoza

February 14, 2007

An act to amend Sections 85304 and 85400 of the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

AB 357, as introduced, Mendoza. Political Reform Act of 1974: legal funds.

The existing Political Reform Act of 1974 permits candidates for elective state office and elected state officials to establish legal defense funds that are not subject to voluntary campaign contribution limits and specifies that the funds in these accounts may be used only for attorney's fees and other expenses arising from specified civil, criminal, or administrative proceedings.

This bill would also allow funds that are not subject to voluntary campaign contribution limits to be used for attorney's fees and other expenses related to election recounts and litigation related to recounts and election contests.

Existing law creates voluntary expenditure ceilings, but exempts certain expenditures from these ceilings.

This bill would also exempt expenditures related to election recounts and litigation related to recounts and election contests from these ceilings.

Existing law makes a violation of the Political Reform Act of 1974 subject to administrative, civil, and criminal penalties.

This bill would impose a state-mandated local program by imposing these penalties on persons who violate the provisions of the bill.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 85304 of the Government Code is
2 amended to read:

3 85304. (a) A candidate for elective state office or an elected
4 state officer may establish a separate account to defray attorney's
5 fees and other related legal costs incurred for the candidate's or
6 officer's legal defense if the candidate or officer is subject to one
7 or more civil or criminal proceedings or administrative proceedings
8 arising directly out of the conduct of an election campaign, the
9 electoral process, or the performance of the officer's governmental
10 activities and duties, *to defray attorney's fees and other costs*
11 *incurred in election recounts conducted pursuant to Chapter 9*
12 *(commencing with Section 15600) of Division 15 of the Elections*
13 *Code or litigation related thereto, or to defray attorney's fees and*
14 *other costs incurred in litigation related to election contests*
15 *conducted pursuant to Division 16 (commencing with Section*
16 *16000) of the Elections Code. These funds may be used only to*
17 *defray those*~~attorney~~ *attorney's fees*~~and~~ *or other related legal*
18 *costs.*

19 (b) A candidate may receive contributions to this account that
20 are not subject to the contribution limits set forth in this article.
21 However, all contributions shall be reported in a manner prescribed
22 by the commission.

23 (c) Once the legal dispute, *recount, or litigation related to the*
24 *recount or election contest* is resolved, the candidate shall dispose
25 of any funds remaining after all expenses associated with the

1 dispute are discharged for one or more of the purposes set forth in
2 paragraphs (1) to (5), inclusive, of subdivision (b) of Section
3 89519.

4 SEC. 2. Section 85400 of the Government Code is amended
5 to read:

6 85400. (a) A candidate for elective state office, other than the
7 Board of Administration of the Public Employees' Retirement
8 System, who voluntarily accepts expenditure limits may not make
9 campaign expenditures in excess of the following:

10 (1) For an Assembly candidate, four hundred thousand dollars
11 (\$400,000) in the primary or special primary election and seven
12 hundred thousand dollars (\$700,000) in the general or special
13 general election.

14 (2) For a Senate candidate, six hundred thousand dollars
15 (\$600,000) in the primary or special primary election and nine
16 hundred thousand dollars (\$900,000) in the general or special
17 general election.

18 (3) For a candidate for the State Board of Equalization, one
19 million dollars (\$1,000,000) in the primary election and one million
20 five hundred thousand dollars (\$1,500,000) in the general election.

21 (4) For a statewide candidate other than a candidate for Governor
22 or the State Board of Equalization, four million dollars
23 (\$4,000,000) in the primary election and six million dollars
24 (\$6,000,000) in the general election.

25 (5) For a candidate for Governor, six million dollars
26 (\$6,000,000) in the primary election and ten million dollars
27 (\$10,000,000) in the general election.

28 (b) For purposes of this section, "campaign expenditures" has
29 the same meaning as "election-related activities" as defined in
30 clauses (i) to (vi), inclusive, and clause (viii) of subparagraph (C)
31 of paragraph (2) of subdivision (b) of Section 82015, *but does not*
32 *include attorney's fees or other costs incurred in election recounts*
33 *conducted pursuant to Chapter 9 (commencing with Section 15600)*
34 *of Division 15 of the Elections Code or litigation related thereto,*
35 *or attorney's fees or other costs incurred in litigation related to*
36 *election contests conducted pursuant to Division 16 (commencing*
37 *with Section 16000) of the Elections Code.*

38 (c) A campaign expenditure made by a political party on behalf
39 of a candidate may not be attributed to the limitations on campaign
40 expenditures set forth in this section.

1 SEC. 3. No reimbursement is required by this act pursuant to
2 Section 6 of Article XIII B of the California Constitution because
3 the only costs that may be incurred by a local agency or school
4 district will be incurred because this act creates a new crime or
5 infraction, eliminates a crime or infraction, or changes the penalty
6 for a crime or infraction, within the meaning of Section 17556 of
7 the Government Code, or changes the definition of a crime within
8 the meaning of Section 6 of Article XIII B of the California
9 Constitution.

10 SEC. 4. The Legislature finds and declares that this bill furthers
11 the purposes of the Political Reform Act of 1974 within the
12 meaning of subdivision (a) of Section 81012 of the Government
13 Code.